

Referrals
7/2/19

**BUDGET,
FINANCE, AND
AUDIT STANDING
COMMITTEE**

David Whitaker, Esq.
Director
Irvin Corley, Jr.
Executive Policy Manager
Marcell R. Todd, Jr.
Senior City Planner
Janese Chapman
Deputy Director

John Alexander
LaKisha Barclift, Esq.
M. Rory Bolger, Ph.D., AICP
Elizabeth Cabot, Esq.
Tasha Cowen
Richard Drumb
George Etheridge
Deborah Goldstein

City of Detroit
CITY COUNCIL

LEGISLATIVE POLICY DIVISION
208 Coleman A. Young Municipal Center
Detroit, Michigan 48226
Phone: (313) 224-4946 Fax: (313) 224-4336



Christopher Gulock, AICP
Derrick Headd
Marcel Hurt, Esq.
Kimani Jeffrey
Anne Marie Langan
Jamie Murphy
Carolyn Nelson
Kim Newby
Analine Powers, Ph.D.
Jennifer Reinhardt
Sabrina Shockley
Thomas Stephens, Esq.
David Teeter
Theresa Thomas
Kathryn Lynch Underwood
Ashley A. Wilson

TO: Detroit City Council

FROM: David Whitaker, Director. *DW*
Legislative Policy Division

DATE: June 20, 2019

RE: **Agreement for Administration and Operation of Programs Funded Through the Detroit Workforce Training Fund**

The Legislative Policy Division (LPD) has been requested to provide a report on the Agreement for Administration and Operation of Programs Funded through the Detroit Workforce Training Fund between the City of Detroit (City) and Detroit Employment Solutions Corporation (DESC). The issue is whether there is any concern with regard to the provision providing for general fund dollars appropriated by City Council.

The modifications made to the agreement addresses the term used to define the monetary payment to be made when an entity is not in compliance with the Executive Orders changing the term from "financial penalties" to "workforce contributions" and the addition of the Workforce Training Fund receiving "appropriations approved by City Council. These modifications are also reflected in the Workforce Training Fund Policies and Procedures identified in the Agreement as Exhibit C.

The Agreement provides that the "Workforce Training Fund" as defined therein includes two sources of funding. One source is the workforce contributions imposed under Executive Orders 2014-4 and 2016-1 on non-compliant developers, general contractors, prime contractors and subcontractors engaged to service all construction projects funded, in whole or in part by the City. The second source of funding the Workforce Training Fund is through budget appropriation of City funds approved by City Council. This appropriation should be specifically designated in the City's budget to be provided to the Workforce Training Fund and not derived from other appropriations not designated for the fund.

Both sources of funding are to be utilized by the DESC as provided in Section 3.1 of the Agreement “to support initiatives of DESC to provide training, support and placement for Detroiters seeking jobs in the skilled construction trades and/or the permanent jobs resulting from new development.”

LPD has not identified any concerns relative to the terms and conditions of the Agreement. LPD does reiterate that it is important that any funds intended as a budget appropriation by City Council to the Workforce Training Fund be identified specifically to the fund.

If we can be of further assistance, please call upon us.

David Whitaker, Esq.
Director
Irvin Corley, Jr.
Executive Policy Manager
Marcell R. Todd, Jr.
Senior City Planner
Janese Chapman
Deputy Director

John Alexander
LaKisha Barclift, Esq.
M. Rory Bolger, Ph.D., AICP
Elizabeth Cabot, Esq.
Tasha Cowen
Richard Drumb
George Etheridge
Deborah Goldstein

City of Detroit

CITY COUNCIL

LEGISLATIVE POLICY DIVISION
208 Coleman A. Young Municipal Center
Detroit, Michigan 48226
Phone: (313) 224-4946 Fax: (313) 224-4336

2
Christopher Canock, AICP
Derrick Headd
Marcel Hurt, Esq.
Kimani Jeffrey
Anne Marie Langan
Jamie Murphy
Carolyn Nelson
Kim Newby
Analine Powers, Ph.D.
Jennifer Reinhardt
Sabrina Shockley
Thomas Stephens, Esq.
David Teeter
Theresa Thomas
Kathryn Lynch Underwood
Ashley A. Wilson

TO: COUNCIL MEMBERS

FROM: David Whitaker, Director
Legislative Policy Division Staff

DATE: June 26, 2019

RE: **Resolution in Support of Extending Expiring NEZ Certificates and a Report on Pending NEZ Legislation (Preliminary Report)**

In the Budget Finance and Audit Committee, Council President Pro-Tem Mary Sheffield requested that the Legislative Policy Division draft a resolution in support of the Michigan Legislature enacting legislation that would extend the life of expiring new a rehab Neighborhood Enterprise Zone¹ certificates. In addition, LPD has been requested to reference any pending legislation in the resolution which supports extending expiring new and rehab NEZs as well.

In regard to this request, upon our research, we discovered one pending piece of legislation, **Senate Bill 0319 (2019)**, which may actually prove to be detrimental to Detroit residents that are seeking NEZs, since it seeks to raise the thresholds for NEZ qualification. If passed, the bill would amend the Neighborhood Enterprise Zone Act to modify the definition of "rehabilitated facility" and require the State Treasurer to adjust the amounts prescribed in the definition annually beginning in 2020.

Currently, "rehabilitated facility" means an existing structure or a portion of an existing structure with a current true cash value of \$80,000 or less per unit that has or will have as its primary purpose residential housing, consisting of one to eight units, the owner of which proposes improvements that if done by a licensed contractor would cost in excess of \$5,000 per owner-occupied unit or 50% of the true cash value, whichever is less, or \$7,500 per nonowner-occupied unit or 50% of the true cash value, whichever is less, or the owner proposes improvements that would be done by the owner and not a licensed contractor and the cost of the materials would be in excess of \$3,000 per owner-occupied unit or \$4,500 per nonowner-

¹ NEIGHBORHOOD ENTERPRISE ZONE ACT, Public Act 147 of 1992, MCL 207.771 et seq.

occupied unit and will bring the structure into conformance with minimum local building code standards for occupancy or improve the livability of the units while meeting minimum local building code standards.

Under the bill, instead, "rehabilitated facility" would mean, except as otherwise provided, an existing structure or a portion of an existing structure with a current true cash value of \$120,000 or less per unit that has or will have as its primary purpose residential housing, consisting of one to eight units, the owner of which proposes improvements that if done by a licensed contractor would cost in excess of \$10,000 per owner-occupied unit or 50% of the true cash value, whichever is less, or \$15,000 per nonowner-occupied unit or 50% of the true cash value, whichever is less, or the owner proposes improvements that would be done by the owner and not a licensed contractor and the cost of the materials would be in excess of \$3,000 per owner-occupied unit or \$4,500 per nonowner-occupied unit and will bring the structure into conformance with minimum local building code standards for occupancy or improve the livability of the units while meeting minimum local building code standards.²

To summarize, the proposed Senate Bill 0319 (2019), seeks to adjust the valuation thresholds to qualify for a NEZ upward, to account for the increased values of residential properties in Michigan. However, the values of homes in the city of Detroit are somewhat lower than those in many Michigan communities, so the passing of this legislation may disqualify many Detroit residential households. *Therefore, Council may want LPD to address this issue in a resolution as well.*

We are currently working cooperatively with the Assessors Office to determine the most effective way to convey the City's position regarding this issue (S.B. 0319) and for the extension of NEZs. Therefore, we plan to finalize the resolution and this report in two weeks.

Bill Summary

Document	Description
S.B. 0319 of 2019	Economic development; neighborhood enterprise zones; definition of rehabilitated facility; modify. Amends sec. 2 of 1992 PA 147 (MCL 207.772) & adds sec. 2a.
Impact	
	"Raising the value of an existing structure or a portion of an existing structure with a current true cash value from \$80,000.00 to \$120,000.00 or less per unit that has or will have as its primary purpose residential housing, consisting of 1 to 8 units, the owner of which proposes improvements that if done by a licensed contractor would raise the cost from in excess of \$5,000.00 to a new minimum in excess of \$10,000.00 per owner occupied unit or 50% of the true cash value, whichever is less, or from \$7,500.00 to \$15,000.00 per nonowner-occupied unit or 50% of the true cash value.

Please contact us if we can be of any further assistance.

Attachment: **Senate Bill 0319 (2019)**

² Senate Fiscal Agency Report Senate Bill 319 (as introduced 5-14-19), Sponsor: Senator Jeremy Moss, 6-10-19

SENATE BILL No. 319

May 14, 2019, Introduced by Senator MOSS and referred to the Committee on Economic and Small Business Development.

A bill to amend 1992 PA 147, entitled
"Neighborhood enterprise zone act,"
by amending section 2 (MCL 207.772), as amended by 2010 PA 9, and
by adding section 2a.

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

1 Sec. 2. As used in this act:

2 (a) "Commission" means the state tax commission created by
3 1927 PA 360, MCL 209.101 to 209.107.

4 (b) "Condominium unit" means that portion of a structure
5 intended for separate ownership, intended for residential use, and
6 established ~~pursuant to~~ **UNDER** the condominium act, 1978 PA 59, MCL
7 559.101 to 559.276. Condominium units within a qualified historic
8 building may be held under common ownership.

9 (c) "Developer" means a person who is the owner of a new

1 facility at the time of construction or of a rehabilitated facility
2 at the time of rehabilitation for which a neighborhood enterprise
3 zone certificate is applied for or issued.

4 (d) "Facility" means a homestead facility, a new facility, or
5 a rehabilitated facility.

6 (e) "Homestead facility" means 1 of the following:

7 (i) An existing structure, purchased by or transferred to an
8 owner after December 31, 1996, that has as its primary purpose
9 residential housing consisting of 1 or 2 units, 1 of which is
10 occupied by an owner as his or her principal residence and that is
11 located within a subdivision platted pursuant to state law before
12 January 1, 1968 other than an existing structure for which a
13 certificate will or has been issued after December 31, 2006 in a
14 city with a population of 750,000 or more, is located within a
15 subdivision platted pursuant to state law before January 1, 1968.

16 (ii) An existing structure that has as its primary purpose
17 residential housing consisting of 1 or 2 units, 1 of which is
18 occupied by an owner as his or her principal residence that is
19 located in a subdivision platted after January 1, 1999 and is
20 located in a county with a population of more than 400,000 and less
21 than 500,000 according to the most recent decennial census and is
22 located in a city with a population of more than 100,000 and less
23 than 125,000 according to the most recent decennial census.

24 (f) "Local governmental unit" means a qualified local
25 governmental unit as that term is defined under section 2 of the
26 obsolete property rehabilitation act, 2000 PA 146, MCL 125.2782, or
27 a county seat.

1 (g) "New facility" means 1 or both of the following:

2 (i) A new structure or a portion of a new structure that has
3 as its primary purpose residential housing consisting of 1 or 2
4 units, 1 of which is or will be occupied by an owner as his or her
5 principal residence. New facility includes a model home or a model
6 condominium unit. New facility includes a new individual
7 condominium unit, in a structure with 1 or more condominium units,
8 that has as its primary purpose residential housing and that is or
9 will be occupied by an owner as his or her principal residence.
10 Except as provided in subparagraph (ii), new facility does not
11 include apartments.

12 (ii) A new structure or a portion of a new structure that
13 meets all of the following:

14 (A) Is rented or leased or is available for rent or lease.

15 (B) Is a mixed use building or located in a mixed use building
16 that contains retail business space on the street level floor.

17 (C) Is located in a qualified downtown revitalization
18 district.

19 (h) "Neighborhood enterprise zone certificate" or
20 "certificate" means a certificate issued pursuant to sections 4, 5,
21 and 6.

22 (i) "Owner" means the record title holder of, or the vendee of
23 the original land contract pertaining to, a new facility, a
24 homestead facility, or a rehabilitated facility for which a
25 neighborhood enterprise zone certificate is applied for or issued.

26 (j) "Qualified assessing authority" means 1 of the following:

27 (i) For a facility other than a homestead facility, the

1 commission.

2 (ii) For a homestead facility, the assessor of the local
3 governmental unit in which the homestead facility is located.

4 (k) "Qualified downtown revitalization district" means an area
5 located within 1 or more of the following:

6 (i) The boundaries of a downtown district as defined in
7 ~~section 1 of 1975 PA 197, MCL 125.1651.~~ **SECTION 201 OF THE**
8 **RECODIFIED TAX INCREMENT FINANCING ACT, 2018 PA 57, MCL 125.4201.**

9 (ii) The boundaries of a principal shopping district or a
10 business improvement district as defined in section 1 of 1961 PA
11 120, MCL 125.981.

12 (iii) The boundaries of the local governmental unit in an area
13 that is zoned and primarily used for business as determined by the
14 local governmental unit.

15 (l) "Qualified historic building" means a property within a
16 neighborhood enterprise zone that has been designated a historic
17 resource as defined under section 266 of the income tax act of
18 1967, 1967 PA 281, MCL 206.266.

19 (m) "Rehabilitated facility" means, **EXCEPT AS OTHERWISE**
20 **PROVIDED IN SECTION 2A**, an existing structure or a portion of an
21 existing structure with a current true cash value of ~~\$80,000.00~~
22 **\$120,000.00** or less per unit that has or will have as its primary
23 purpose residential housing, consisting of 1 to 8 units, the owner
24 of which proposes improvements that if done by a licensed
25 contractor would cost in excess of ~~\$5,000.00~~ **\$10,000.00** per owner-
26 occupied unit or 50% of the true cash value, whichever is less, or
27 ~~\$7,500.00~~ **\$15,000.00** per nonowner-occupied unit or 50% of the true

1 cash value, whichever is less, or the owner proposes improvements
2 that would be done by the owner and not a licensed contractor and
3 the cost of the materials would be in excess of \$3,000.00 per
4 owner-occupied unit or \$4,500.00 per nonowner-occupied unit and
5 will bring the structure into conformance with minimum local
6 building code standards for occupancy or improve the livability of
7 the units while meeting minimum local building code standards.
8 Rehabilitated facility also includes an individual condominium
9 unit, in a structure with 1 or more condominium units that has as
10 its primary purpose residential housing, the owner of which
11 proposes the above described improvements. Rehabilitated facility
12 also includes existing or proposed condominium units in a qualified
13 historic building with 1 or more existing or proposed condominium
14 units. Rehabilitated facility does not include a facility
15 rehabilitated with the proceeds of an insurance policy for property
16 or casualty loss. A qualified historic building may contain
17 multiple rehabilitated facilities.

18 **SEC. 2A. (1) BEGINNING IN 2020 AND EACH YEAR THEREAFTER, THE**
19 **STATE TREASURER SHALL ADJUST THE DOLLAR AMOUNTS DESCRIBED IN**
20 **SECTION 2 (M) BY AN AMOUNT DETERMINED BY THE STATE TREASURER AT THE**
21 **END OF EACH CALENDAR YEAR TO REFLECT THE CUMULATIVE ANNUAL**
22 **PERCENTAGE CHANGE IN THE CONSUMER PRICE INDEX.**

23 **(2) AS USED IN THIS SECTION, "CONSUMER PRICE INDEX" MEANS THE**
24 **MOST COMPREHENSIVE INDEX OF CONSUMER PRICES AVAILABLE FOR THIS**
25 **STATE FROM THE BUREAU OF LABOR STATISTICS OF THE UNITED STATES**
26 **DEPARTMENT OF LABOR.**

City of Detroit
OFFICE OF THE CITY CLERK

Janice M. Winfrey
City Clerk

Caven A. West
Deputy City Clerk

3

June 24, 2019

Honorable City Council
1340 Coleman A. Young Municipal Center
Detroit, MI 48226

**Re: Application for Neighborhood Enterprise Zone Certificate for
WEST VILLAGE NEZ Area**

Dear Council Members:

On October 21, 1992, your Honorable Body established Neighborhood Enterprise Zones. I am in receipt of one (1) application for a Neighborhood Enterprise Zone Certificate. **THIS APPLICATION HAS BEEN REVIEWED AND RECOMMENDED FOR APPROVAL BY THE LEGISLATIVE POLICY DIVISION, A COPY OF WHICH IS ATTACHED.** Therefore, the attached Resolution, if adopted by your Honorable Body, will approve this application.

Respectfully submitted,

Janice M. Winfrey
City Clerk

W

JMW:aj
Enc.

CITY CLERK 2019 JUN 25 PM 10:07

Resolution

By Council Member _____

WHEREAS, Michigan Public Act 147 of 1992 allows the local legislative body to establish Neighborhood Enterprise Zones for the purpose of providing exemption from as valorem property taxes, and the imposition of specific property tax in lieu of as valorem taxes; and

WHEREAS, The Detroit City Council has established a Neighborhood Enterprise Zone for the following area, in the manner required by and pursuant to Public Act 147 of 1992.

NOW, THEREFORE, BE IT RESOLVED, That the City Council approve the following address for receipt of Neighborhood Enterprise Zone Certificate for a fifteen-year period:

<u>Zone</u>	<u>Address</u>	<u>Application No.</u>
West Village	8001 Kercheval	06-85-45

Alton James
Chairperson

Vice Chair/Secretary

City of Detroit

CITY PLANNING COMMISSION
208 Coleman A. Young Municipal Center
Detroit, Michigan 48226
Phone: (313) 224-6225 Fax: (313) 224-4336
e-mail: cpc@detroitmi.gov

Brenda Goss-Andrews
Lisa Whitmore Davis
Damion Ellis
David Esparza, AIA, LEED
Gregory Pawlowski
Frederick E. Russell, Jr.
Angy Webb

June 20, 2019

HONORABLE CITY COUNCIL

RE: Neighborhood Enterprise Zone Certificate Application for a new 4-story mixed-use building with 92 apartments at 8001 Kercheval Avenue in the West Village NEZ area (RECOMMEND APPROVAL)

The office of the City Planning Commission (CPC) has received an application for Neighborhood Enterprise Zone (NEZ) certificate forwarded from the office of the City Clerk. The application is for a new 4-story mixed-use building with 92 apartments at 8001 Kercheval Avenue in the West Village NEZ area. The project is being developed by Kercheval Associates LLC. CPC staff has reviewed the applications and recommends approval.

The subject properties have been confirmed as being within the boundaries of the West Village NEZ which was established on November 15, 2000, and should be eligible for an NEZ certificate under State Act 147 of 1992 as currently written. The property to be developed is at the northeast corner of Kercheval and Van Dyke Avenues. The NEZ certificate application appears to have been submitted prior to the issuance of any applicable building permits.

Please contact our office should you have any questions.

Respectfully submitted,

Marcell R. Todd, Jr., Director CPC
Christopher J. Gulock, AICP

cc: Janice Winfrey, City Clerk

CITY CLERK 20 JUN 2019 PM 4:21

David Whitaker, Esq.
Director
Irvin Corley, Jr.
Executive Policy Manager
Marcell R. Todd, Jr.
Senior City Planner
Janese Chapman
Deputy Director

John Alexander
LaKisha Barclift, Esq.
M. Rory Bolger, Ph.D., AICP
Elizabeth Cabot, Esq.
Tasha Cowen
Richard Drumb
George Etheridge
Deborah Goldstein

City of Detroit
CITY COUNCIL
LEGISLATIVE POLICY DIVISION
208 Coleman A. Young Municipal Center
Detroit, Michigan 48226
Phone: (313) 224-4946 Fax: (313) 224-4336

Christopher Gulock, AICP
Derrick Headd
Marcel Hurt, Esq.
Kimani Jeffrey
Anne Marie Langan
Jamie Murphy
Carolyn Nelson
Kim Newby
Analine Powers, Ph.D.
Jennifer Reinhardt
Sabrina Shockley
Thomas Stephens, Esq.
David Teeter
Theresa Thomas
Kathryn Lynch Underwood
Ashley A. Wilson

- **In 2016, the Council developed a new system of review for the approval of certain NEZ certificates:**

LPD assisted in developing a system for which the Council applied a greater level of scrutiny at the NEZ Zone approval stage. The recent upswing in the use of NEZs for the development of apartment buildings and condos downtown and in “Downtown Revitalization Districts,”¹ instead of just neighborhood single family residents, created a need for this review.

This Neighborhood Enterprise Zone was established in 2000, which is prior to the development of a system of additional financial review for NEZs in 2016, therefore there is no additional fiscal review for this item.

¹ Created under Michigan 2008: Public Act 204 & Public Act 228



CITY OF DETROIT
OFFICE OF THE CHIEF FINANCIAL OFFICER
OFFICE OF CONTRACTING & PROCUREMENT

Coleman A. Young Municipal Center
2 Woodward Avenue, Suite 1008
Detroit, MI 48226
Phone: (313) 224-4619
Fax: (313) 628-1160
E-Mail: jacksonb@detroitmi.gov

4

June 24, 2019

Detroit City Council
Coleman A. Young Municipal Center
2 Woodward Ave.
Detroit, MI 48226

RE: REQUEST FOR APPROVAL TO ENTER INTO SHORT TERM LEASES FOR TEMPORARY
PROPERTY USE UP TO 30 DAYS AND UNDER \$10,000.

HONORABLE CITY COUNCIL:

The Office of Contracting and Procurement Department ("OCP") is hereby requesting the authorization of your Honorable Body to allow the Coleman A. Young Municipal Airport Department ("Airport") to enter into short term leases of Airport T-Hanger properties as requests for such are received, provided that the term of said leases charge rent of less than \$25,000 and include a lease term of up to 30 days.

The current terminal (built in 1966) is used for private, cargo, and corporate airplanes under the Department of Transportation, Federal Aviation Administration (FAA) jurisdiction. The department may make, with the approval of the City Council, all contracts or leases necessary to carry out the objectives and purposes of the department, as provided in this section. These requests are frequently received by the Airport with insufficient time to negotiate a short term lease and seek the approval of your Honorable Body. In these instances, the City sometimes foregoes certain revenue that it might otherwise realize.

With authority to execute and approve short term leases, Airport may better perform its duty under Section 4-1-2 of the Detroit City Code "to supervise, manage and control all city properties and equipment devoted to aviation activities, both as to supervision, maintenance and operation," as well as to better capitalize on revenue from temporary use of the City's T-Hangers. The Airport shall work with the Law Department to ensure that all short term leases under this authority are approved as to form and work with the Finance Department to certify that such revenue has been received by the City. The Airport Director or his designated staff will provide a quarterly report of all short term leases to the City Council.

We respectfully request your approval and grant of authority to the Airport Department to enter into such short term leases pursuant to the above referenced conditions and for the benefit of the City of Detroit by adopting the attached resolution. We ask that this authority remain in full force and effect for a period of 18 months from the date of approval to allow the Airport time to codify this policy into the appropriate section of the Detroit City Code.

Respectfully submitted

Boysie Jackson, Chief Procurement Officer

RESOLUTION

BY COUNCIL MEMBER: _____

- WHEREAS,** The Coleman A. Young Municipal Airport Department ("Airport") was established to exercised and perform in accordance with the general laws of the United States and this state, the rules and regulations of the Federal Aviation Administration and the state department of aeronautics to acquire and hold airport, heliports, seaplane bases, landing fields or sites and any other aeronautical facilities in the name of the City; **AND**
- WHEREAS,** The Airport Department is an enterprise agency, and receives a general fund subsidy. The Airport rents 58 units including Hangars (Small, Medium and Large), Bays and other spaces. The Airport is a landlord. A landlord is the party agreeing to transfer possession and use of the rental property, usually the owner (but may also include an agent or employee of the owner, or a management company). The business or individual occupying space at the Airport are tenants. A tenant is the party taking possession and use of the rental property from the landlord under a lease: **AND**
- WHEREAS,** The Airport has the supervision, management and control of all city properties and equipment devoted to aviation activities, both as to supervision, maintenance and operation, The department may make contracts or leases necessary to carry out the objectives and purposes of the department, as provided with T-Hangers; **AND**
- RESOLVED,** That such short term lease agreements shall require the lessee 1) to comply with all applicable laws, 2) to provide insurance and indemnification of the City of Detroit; **AND**
- RESOLVED,** That separate approval by Detroit City Council for such short term lease agreements shall not be required for each individual agreement, but that the Airport Director, or his designee, shall have the authority granted by Detroit City Council through this resolution for a period of eighteen (18) months from the approval date of this resolution to execute and approve such agreements provided that Airport give Detroit City Council quarterly reports of such agreements after the fact; and be it further Resolved
- RESOLVED,** That all such short term lease agreements under this authority shall be approved as to form by the Law Department under 7.5-206 of the Detroit City Code and that any revenue to be received is certified received by the Finance Department under 18-5-4 (b).

June 24, 2019

Detroit City Council
Coleman A. Young Municipal Center
2 Woodward Ave.
Detroit, MI 48226

RE: REQUEST FOR APPROVAL TO ENTER INTO SHORT TERM LEASES FOR TEMPORARY
PROPERTY USE UP TO 30 DAYS AND UNDER \$10,000.

HONORABLE CITY COUNCIL:

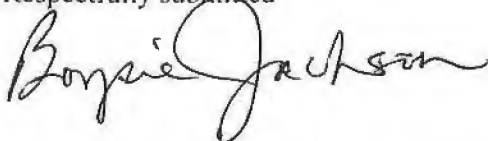
The Office of Contracting and Procurement Department ("OCP") is hereby requesting the authorization of your Honorable Body to allow the Coleman A. Young Municipal Airport Department ("Airport") to enter into short term leases of Airport T-Hanger properties as requests for such are received, provided that the term of said leases charge rent of less than \$10,000 and include a lease term of up to 30 days.

The current terminal (built in 1966) is used for private, cargo, and corporate airplanes under the Department of Transportation, Federal Aviation Administration (FAA) jurisdiction. The department may make, with the approval of the City Council, all contracts or leases necessary to carry out the objectives and purposes of the department, as provided in this section. These requests are frequently received by the Airport with insufficient time to negotiate a short term lease and seek the approval of your Honorable Body. In these instances, the City sometimes foregoes certain revenue that it might otherwise realize.

With authority to execute and approve short term leases, Airport may better perform its duty under Section 4-1-2 of the Detroit City Code "to supervise, manage and control all city properties and equipment devoted to aviation activities, both as to supervision, maintenance and operation", as well as to better capitalize on revenue from temporary use of the City's T-Hangers. The Airport shall work with the Law Department to ensure that all short term leases under this authority are approved as to form and work with the Finance Department to certify that such revenue has been received by the City. The Airport Director or his designated staff will provide a quarterly report of all short term leases to the City Council.

We respectfully request your approval and grant of authority to the Airport Department to enter into such short term leases pursuant to the above referenced conditions and for the benefit of the City of Detroit by adopting the attached resolution. We ask that this authority remain in full force and effect for a period of 18 months to allow the Airport time to codify this policy into the appropriate section of the Detroit City Code.

Respectfully submitted

A handwritten signature in black ink, appearing to read "Boycie Jackson". The signature is fluid and cursive, with the first name "Boycie" written in a larger, more prominent script than the last name "Jackson".

Boycie Jackson, Chief Procurement Officer

CITY CLERK 2019 JUN 25 PM 4:22

RESOLUTION

BY COUNCIL MEMBER: _____

- WHEREAS,** The Coleman A. Young Municipal Airport Department (“Airport”) was established to exercised and perform in accordance with the general laws of the United States and this state, the rules and regulations of the Federal Aviation Administration and the state department of aeronautics to acquire and hold airport, heliports, seaplane bases, landing fields or sites and any other aeronautical facilities in the name of the City; **AND**
- WHEREAS,** The Airport Department is an enterprise agency, and receives a general fund subsidy The Airport rents 58 units including Hangars (Small, Medium and Large), Bays and other. The Airport is a landlord. A landlord is the party agreeing to transfer possession and use of the rental property, usually the owner (but may also include an agent or employee of the owner, or a management company). The business or individual occupying space at the Airport are tenants. A tenant is the party taking possession and use of the rental property from the landlord under a lease: **AND**
- WHEREAS,** The Airport has the supervision, management and control of all city properties and equipment devoted to aviation activities, both as to supervision, maintenance and operation, The department may make contracts or leases necessary to carry out the objectives and purposes of the department, as provided with T-Hangers; **AND**
- RESOLVED,** That such short term leases agreements shall require the lessee 1) to comply with all applicable laws, 2) to provide insurance and indemnification of the City of Detroit; **AND**
- RESOLVED,** That separate approval by Detroit City Council for such short term lease agreements shall not be required for each individual agreement, but that the Airport Director, or his designee, shall have the authority granted by Detroit City Council through this resolution for a period of eighteen (18) months from the approval date of this resolution to execute and approve such agreements provided that Airport give Detroit City Council quarterly reports of such agreements after the fact; and be it further
- RESOLVED,** That all such short term lease agreements under this authority shall be approved as to form by the Law Department under 7.5-206 of the Detroit City Code and that any revenue to be received is certified received by the Finance Department under 18-5-4 (b).

5

MEMORANDUM

TO: David Whitaker, Director
Legislative Policy Division

FROM: Janee' Ayers, Vice Chair
Council Member At Large

DATE: June 24, 2019

RE: Flip the Script Resolution

Please draft a resolution supporting the Michigan State Legislature reinstating \$1.5 million dollars in funding to the Goodwill Flip the Script Program.

Thank you for your time and effort,



Janee' Ayers
Detroit City Council

cc: Colleagues
City Clerk



6

City of Detroit

CITY COUNCIL

MARY SHEFFIELD
PRESIDENT PRO TEMPORE
DISTRICT 5

MEMORANDUM

TO: Mr. Donald Rencher, Director Housing & Revitalization Department
THROUGH: Council Member James Tate, Chair, Planning & Economic Development Committee
FROM: Council President Pro Tempore Mary Sheffield *MS*
DATE: June 26, 2019
RE: NEZ New & Rehab Certificate Project List

Please provide a list of all projects that have received NEZ new and rehab certificates from 2013 to the present.

Thank you.

Cc: Honorable Colleagues
Hon. Janice Winfrey, City Clerk

CITY CLERK 2019 JUN 26 PM3:05